

Governor Haley Barbour  
Remarks to the Mississippi School Boards Association  
October 31, 2006

Education is the number one economic development issue and the number one quality of life issue in our state. It is rightly the number one priority of state government.

That priority has been reflected in the budgets for our K-12 public schools.

- This school year, teachers are making an average of 30% more than they were six years ago, after two consecutive 8% increases in teacher pay during my Administration.
- This school year, per student spending in our public schools from federal, state, and local sources will be approximately \$7,800, up from \$6,400. Since I have been Governor, state support for our K-12 school districts through the Mississippi Adequate Education Program has increased \$323 million, or 19%.
- The increased support for our school districts is reflected by the decisions school boards have made at the local level. Since I have been Governor, fewer school districts are raising local property taxes. The year the state came the closest to “fully funding” the MAEP formula, more school districts raised their taxes than in either one of the last two years. In the budget year before I took office (school year 2003-2004), 94 school districts raised their taxes. The last two years, that number dropped to 77 and 78 respectively. We don’t have all the data yet for the current school year (2006-2007), but all reports indicate that the number of districts raising their taxes will be less than when MAEP was fully funded.

We have also worked with teachers, principals, school superintendents, community leaders, and Legislators to enact reforms so that we can get better results for the money we spend. Thanks to the UpGrade Education Reform Act which the Legislature passed last Spring:

- This school year, for the first time, local school leaders are free to make innovative decisions about how to run their schools without checking with officials in Jackson first since the Legislature adopted “Home Rule” for all school districts.
- Because the most important ingredient to a successful classroom is a quality teacher, we expanded our teacher recruitment and retention efforts by allowing automatic certification of any teacher meeting federal No Child Left Behind “highly qualified teacher” definition; authorizing a plan to pay teachers based on performance; authorizing higher pay for teachers in hard to staff subjects and districts; and expanding alternative certification programs.
- For the first time, every student will have the opportunity to earn college credit in high school through expanded dual credit and dual enrollment programs, more AP classes, and through the Mississippi Virtual Public School.

- To help put discipline in every classroom, the Legislature authorized financial rewards for teachers who serve as mentors to other middle school teachers.
- And, for the first time, the state of Mississippi is honestly acknowledging our 40% dropout rate and is implementing plans to address it.
- We are also starting to embrace lifelong learning in Mississippi. During the Musgrove Administration, the community colleges' budget was cut \$32 million (16%) and the universities budget was cut \$45 million (7%). Since I have been Governor, support for Community Colleges has increased \$50 million, or 29%, including a doubling of state support for workforce training. Support for universities has increased \$93 million, or 16%.

Working with the Legislature, I know we will build on the positive steps that have been made in the last 2 ½ years. This morning, I was with the Legislative Budget Committee to adopt the revenue estimate that will guide us as we develop the budget for the 2007-2008 school year. We approved an estimate that predicts revenue growth of \$250 million in our state's General Fund over the current fiscal year.

That is encouraging news. While there is still uncertainty from Katrina, our economy is growing and that we are increasing revenue without raising anybody's taxes. We have more taxpayers with more taxable income and that means more revenue. Last year, we finished digging out of our \$720 million budget hole from the year I ran for Governor, and we had a small surplus and began setting aside a rainy day fund as called for by state law.

A \$250 million increase in revenue would make you feel optimistic about our budget... until you remember the State Board of Education has asked for the first \$360 million of that \$250 million increase. The universities have asked for the entire \$250 million increase. The community colleges are asking for a \$145 million increase – that would be a 73% increase for the community colleges.

In all K-12 and higher education are requesting \$755 million in increased spending, while revenue is going up \$250 million.

Of the State Board of Education's request, \$158 million is to fund the MAEP formula. A \$158 million increase would be 63% of the projected revenue growth – revenue growth that also has to cover public safety, health care, and higher education needs.

My budget recommendation to the Legislature would increase funding for K-12 public schools by more than the \$158 million the State Board of Education has requested for the MAEP formula. But I do not think all of that increase should go to the MAEP formula. I do not believe it would be the most effective way to use \$158 million to improve our public schools.

With the increase I am proposing for our K-12 public schools, state support for K-12 will have increased by more than \$480 million during my Administration, an increase of more

than 24%. This would be the largest increase in state spending for our K-12 public schools during any four year term of a Mississippi Governor.

- Last year, Representative Cecil Brown and Senator Mike Chaney developed a plan to phase in full-funding of the MAEP formula over four years. My budget for the upcoming fiscal year will follow the bipartisan plan overwhelmingly approved by the Legislature that I signed into law this spring, increasing direct support for the school districts through MAEP by \$65 million.
- By following this bipartisan phase-in plan, we can afford to give, and my budget will provide, our public school teachers a 3% across-the-board teacher pay raise. With this pay raise, the average salary for a public school teacher will be nearly \$43,000.
- In addition to this \$65 million increase in direct support through MAEP and a 3% teacher pay raise, my budget would pay for 100% of the increased costs for health insurance premiums and retirement plan contributions for teachers and other school district employees – an increased cost to state taxpayers of approximately \$20 million.
- As I have done every year since I became Governor, I will support full funding of the high-growth formula to help those school districts that are growing at an exceptionally fast rate. The MAEP formula does not accurately reflect the number of kids in these school districts, so the state is not providing enough support. In the current school year, after two years of trying, we are only partially funding the high-growth component of the MAEP formula for the first time. My budget will include the \$19 million that is needed to fully fund the high growth school districts.
- My budget will continue to support our classroom teachers by more than doubling the amount of funding for classroom supplies, funding the full request for the National Board Certified Teacher program, and setting aside \$2 million to pay more to experienced middle school teachers who serve as mentors to new teachers.
- If we improve the health of our school children by keeping them physically active, they will be more ready to learn and less likely to be discipline problems. My budget will include \$2 million to provide the training support to our teachers so that every elementary student can have 30 minutes of physical activity every day.
- To help address our state's 40% dropout rate, I will include the funding that State Superintendent Hank Bounds requests for his plan to redesign our high schools. I will also include an extra \$500,000 for the Jobs for Mississippi graduates program to pilot the program in 10 middle schools.
- To help our kids be ready to learn when they begin school, my budget will include \$5 million for early childhood development initiatives. Since 80% of our four year olds are already being served by child care centers, Head Start, or pre-kindergarten, we should improve the infrastructure which is already in place by including more educational content.

These are some of the items I will include in a balanced budget that will put our state on solid financial footing with a growing rainy day fund after being in a \$720 million budget hole just three years ago. We can do this while increasing K-12 funding by 7% next year. If the Legislature accepts my budget, state funding for K-12 will go up more than \$480 million in four years, the largest increase in any Governor's four year term ever in Mississippi history.

The steps we have taken in the last 2 ½ years and the steps we will take in the upcoming legislative session will improve the results we get in the classroom for years to come. After all, that is how any politician's commitment to education should be judged: by how our children are learning.

Thank you for what you do to improve the lives of our 470,000 children who are in our public schools.